

# **EXHIBIT 1-C**



**SCHEDULE A  
STATEMENT OF WORK #1 (OUTBOUND TELESERVICES)**

This Statement of Work ("SOW") between **Direct Energy US Home Services, Inc.** ("Direct Energy") and **Total Marketing Concepts, Inc.**, ("TMC") ("Vendor") dated **March 23, 2015** ("Effective Date") incorporates and is subject to the terms and conditions of the Teleservices Agreement dated **March 23, 2015** (the "Agreement") between Direct Energy Services, LLC ("DES") and Vendor. All capitalized terms not defined herein shall have the meaning specified in the Agreement. Each of Vendor and Direct Energy may be referred to herein as a "Party" or, collectively, as "Parties." If this SOW is entered into by an affiliate of DES, then pursuant to Section 1.6 of the Agreement this SOW along with the Agreement shall constitute a separate agreement between the Parties hereto.

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained and other good and valuable consideration (the receipt and sufficiency of which are acknowledged), Direct Energy and Vendor agree:

- I. **Scope of Services.** Vendor shall provide the services set forth below in accordance with the terms and conditions herein:
  - a. Vendor Shall use its best efforts to identify and acquire customers and/or schedule home service appointments for Direct Energy via outbound teleservices, and if applicable, inbound teleservices (the "Services") within the jurisdictions Direct Energy may dictate from time-to-time in writing (collectively, "Territory") in accordance with the terms and conditions set forth below.
  - b. Vendor shall provide the Services for the Direct Energy customer segments ("Customer Segments") and Direct Energy telesales and/or telemarketing campaigns (each, a "Campaign") set forth in **Exhibit A**.
  - c. Vendor shall provide, and shall ensure that its customer service representatives ("CSRs") provide, the Services in accordance with the terms of this SOW, in a professional and business-like manner, consistent with leading standards and practices of the telesales industry, and in compliance with approved script materials provided by Direct Energy ("Scripts").
  - d. Vendor shall provide the Services during the times and on the dates as follows (the "Program Hours"): Monday through Saturday between the hours of 9 AM (ET) and 9 PM (ET), except for the "holidays" set forth below, unless otherwise specified in writing by Direct Energy at least seven (7) business days before the date that is the subject of such writing or as agreed according to by the Parties. The Parties consider the following "holidays" for purposes of this SOW: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve, Christmas Day and New Year's Eve.



- e. Vendor shall recruit and organize a team of CSRs and ensure the staffing profile of CSRs is specific to the Services and consistent with the terms and conditions set forth herein and any separate instructions provided by Direct Energy in writing.
- f. Vendor shall train and manage staff, employees, CSRs and associated resources, as required, to provide the Services in accordance with the Direct Energy's training instructions and materials.
- g. Vendor shall facilitate "focus groups" at the Direct Energy's request to obtain direct feedback from third party customers regarding their contract experiences with Vendor and/or its CSRs.
- h. Vendor shall call record and verify all telemarketing calls made or received by Services Provider and/or CSRs that result in sales to any third party ("Verified Sales").
- i. Vendor shall maintain copies of telephone recordings in digital form (in ".wav" format or such other format as Direct Energy may require, the "Sound Files") and shall make two permanent digital backup copies to be stored by Vendor for the duration of the Term of this SOW or Agreement (whichever is longer) plus an additional five (5) years ("Sound Files Recordkeeping Period") and must provide the Sound Files to Direct Energy at the end of the Sound Files Recordkeeping Period in a format to be agreed upon by the Parties. Vendor shall store one of the copies of the Sound Files onsite for thirty (30) days and thereafter may store all copies at an offsite location.
- j. Vendor shall deliver all Sound Files to Direct Energy on a daily basis to Direct Energy's file transfer protocol site according to the Direct Energy's security standards, which must include the appropriate encryption and other security measures. Each day's Sound Files shall be delivered by 10:00am CT on the next day. At the request of Direct Energy, Vendor will provide a compact disc for each thirty (30) day period that contains all Sound Files for all calls during that period, promptly on request, individual or multiple Sound Files for the purpose of investigating any customer or regulatory complaints or requests.
- k. Vendor shall provide a minimum of eight (8) call quality monitoring evaluations per CSR per calendar month using a call quality evaluation template that will be developed jointly between Direct Energy and Vendor.
- l. Vendor shall provide a level of supervision for each CSR used to provide the Services that Direct Energy deems appropriate. Direct Energy expects the Vendor's program supervisor to spend 85-90% of his or her time worked during the Program Hours coaching and motivating CSRs, listening to telemarketing calls, and driving overall sales performance and sales quality improvements.



- m. Vendor shall allow Direct Energy to be present during the Program Hours to assist with motivating, coaching and training CSRs and team managers, launching incentives, evaluating the Services and assisting with overall sales performance.
  - n. Vendor shall allow Direct Energy to specify the number of CSRs providing the Services at any time.
  - o. Vendor shall participate in a weekly calibration session up to two (2) hours per week between Direct Energy and Vendor's Management Team.
  - p. Vendor shall evaluate each recorded sale as it pertains to the verification portion of the Script and ensure all requirements are met.
  - q. Vendor shall provide complete daily sales file(s) to Direct Energy in a format acceptable to Direct Energy.
  - r. Vendor shall consult with Direct Energy to improve Scripts and advise of issues with respect to the Scripts to:
    - i. ensure compliance with all applicable laws; and
    - ii. manage any customer contacts in a manner to maximize the effective performance of each CSR.
  - s. Vendor shall perform the Services in a professional, honest and ethical manner, without engaging in any false, misleading or deceptive conduct.
  - t. Vendor shall adhere to those fiduciary standards, ethical practices, and standards of care and competence which are customary for professionals engaged in rendering the type of Services described herein, and any Direct Energy policies, including Direct Energy's Statement of Business Ethics, provided to Vendor from time to time.
  - u. Vendor shall provide all Services in accordance with all applicable laws, regulations and rules, including, without limitation, the Telephone Consumer Protection Act of 1991, as amended, and all accompanying regulations and rules.
  - v. Vendor shall arrange and maintain exclusive toll-free numbers for the Services performed hereunder (specific numbers) to facilitate tracking and reporting of outbound teleservices results, and if applicable, inbound teleservices results to Direct Energy.
2. **Location(s)**. The Services described herein will be provided at the call center location(s) listed below:



Total Marketing Concepts, Inc.  
4395 St. Johns Parkway  
Sanford, FL 32771  
P: (407)-562-3201

3. **Representatives.**

**Vendor Representative:**

Director Client Relations – Robyn Chavarie  
President – George Lonabaugh

**Direct Energy Representative:**

Vendor Manager – Ashley Carter  
Vendor Manager – Lanse Delara  
Procurement Manager – Brian Cain  
Director of Sales – Troy Latuff  
Sr. Director Telesales – Todd Paulson  
Chief Sales Officer – Mike Beck

4. **Term.** This SOW will be effective as of the Effective Date and, unless earlier terminated in accordance with the terms set forth in this SOW or the Agreement, will continue through **March 23, 2016** (the “Initial Term”). This SOW shall be renewed automatically on a six (6) month consecutive basis (each a, “Renewal Term”) following the end of the Initial Term unless a Party provides to the other Party notice of termination of this SOW at least sixty (60) days in advance of the date of expiration of the Initial Term or Renewal Term, as applicable (the Renewal Term(s), if any, along with the Initial Term, shall be referred to herein as the “Term”). During the Term, Direct Energy may terminate this SOW in accordance with the terms of the Agreement or if Vendor does not meet or exceed the Performance Metrics (such term defined below) as set forth below. Furthermore, Direct Energy may terminate this SOW or any Campaign for any reason or no reason by providing thirty (30) days’ prior written notice to the Vendor.
5. **Record Keeping.** Vendor will retain on record during the Term of the SOW or Agreement (whichever is longer) plus an additional five (5) years all information related to leads sources, leads identities, inbound telesales calls, enrollments, and any third party consents required by applicable laws related to a lead and its subsequent outbound telesales call. Vendor shall make such information available to Direct Energy within one (1) business day of Direct Energy’s request. Except as provided by law, and within the terms and conditions of this SOW, Direct Energy shall use such information solely in support of services rendered by Vendor hereunder, or in response to complaints or enrollment issues raised by any third party. Vendor will provide to Direct Energy any opt-out record for third parties contacted or solicited via the Services hereunder so Direct Energy can maintain its own internal do-not-call or do-not-email lists. Likewise, Direct Energy will provide to Vendor



any do-not-contact requests from third parties who previously contacted Direct Energy directly.

6. **Reporting.** Vendor shall provide the following reports daily, weekly and monthly:
  - (a) Outbound Teleservices
    - i. Outbound Performance report – details of report for outbound calling performance
    - ii. CSR Performance report – details of report for CSRs’ performance
    - iii. Outbound Disposition report – details of report for dialer disposition code
    - iv. Outbound Sales reports – cumulative details of the Sales activities
    - v. Outbound CSR Sales report – CSR level details of the Sales activities
    - vi. Sales Per Hour reports – details regarding total number of Sales per hour per CSR
    - vii. Production Hour report – details of report for production hour monitoring
    - viii. Details of all compliance failures – report detailing any compliance matter
    - ix. Training Service Activities report – report regarding training schedules
    - x. Training Performance report - report for new and reoccurring training performance
    - xi. Cost to Acquire report – details and costs associated with partner performance costs
  - (b) Inbound Teleservices (if applicable)
    - i. Details of inbound call statistics and performance
    - ii. Any other report requested by Direct Energy from time-to-time
    - iii. Inbound intraday reporting
    - iv. Inbound Center score card report
    - v. Variance to Actual reporting for month to date
    - vi. Cap plan reporting with attrition
    - vii. Transfer rate % and dispositions
    - viii. QA reporting including compliance to PTG, DPP regulatory scripting
    - ix. Training file—including but not limited to: Class (billable or non-billable, attendance, number of hours); back up for any training concerning bill backup data
7. **Compensation Structure & Payment Terms.** The compensation structure and payment terms for the Services provided by Vendor shall be set forth in **Exhibit B** (“Compensation & Payment Terms”).
8. **Performance Metrics.** The chart set forth in **Exhibit C** sets forth the minimum performance requirements required by Direct Energy for the provision of Services by Vendor (collectively, “Performance Metrics”). If Vendor does not meet any of the Performance Metrics at any time, Direct Energy shall have the right to immediately (i) terminate this SOW and/or (ii) modify the Compensation & Payment Terms.



9. **Additional Campaigns.** At any time and from time-to-time Direct Energy may request in writing that Vendor provide the Services for one or more additional campaigns ("Additional Campaign(s)") for an initial thirty (30) calendar day ramp up period ("Ramp-Up Period"). During the Ramp-Up Period, the compensation structure and payment terms for the Services provided for the Additional Campaign(s) shall be mutually agreed to by the Parties. At the conclusion of the Ramp-Up Period, if Direct Energy requests that Vendor continue to provide the Services for the Additional Campaign(s), then (i) the compensation structure and payment terms shall be consistent with those terms set forth in Exhibit B and (ii) the Parties will amend Exhibit A to add such Additional Campaign.

[Signatures on following page.]



Each of the Parties represents and warrants that the signatory below has authority to sign this SOW on its behalf.

**IN WITNESS WHEREOF**, the Parties hereto have caused this SOW to be duly executed as of the Effective Date.

**DIRECT ENERGY US HOME SERVICES, INC.**

Signature: [Signature]  
Print Name: Brian Cain  
Title: Operations Category Manager

**TOTAL MARKETING CONCEPTS, INC.**

Signature: [Signature]  
Print Name: George Lonabaugh  
Title: President





**EXHIBIT A**  
**AUTHORIZED CUSTOMER SEGMENTS & CAMPAIGNS**

**Customer Segments**

- Residential Customer Sales and Appointment Bookings of Direct Energy Home Service Products

**Campaigns**

- Entire US



**EXHIBIT B**  
**COMPENSATION STRUCTURE & PAYMENT TERMS**

**Compensation Structure.** The table below sets forth the compensation and/or other fees that Vendor will receive from Direct Energy (collectively, "Compensation").

HOME SERVICES - COLD / FRANCHISE CALLING						
HOME SERVICES - FRANCHISE			Base Rate		\$12.00	
SPH Performance Range	interval size	Commission	CTA Low	CTA High	Ave CTA	

**Currency.** All amounts in this Exhibit B are in United States Dollars.

**Payment Terms.** Vendor shall prepare and submit a weekly invoice to Direct Energy within five (5) business days following the close of such week for compensation due Vendor for Ran Appointments, Booked Appointments, and/or other billable item(s) which were pre-approved by Direct Energy during such week ("Invoice"). The Invoice if undisputed by Direct Energy will be due within fifteen (15) days of receipt.

**Defined Terms**

**The term "New Customer"** means a Customer that has no relationship – contractual or otherwise – with Direct Energy or its affiliates at the time the Vendor places a telephone call to such Customer.



**The term “Existing Customer”** means a Customer that has a relationship – contractual or otherwise – with Direct Energy or its affiliates at the time the Vendor places a telephone call to such Customer.

**The term “Ran Appointment”** means an appointment for Direct Energy’s or one of its affiliates’ home services product(s) where (i) such appointment takes place as scheduled or within thirty (30) days of the scheduled date of such appointment and (ii) Direct Energy has received payment from the applicable Customer for such appointment.

**The term “Cold/Prospect Calling”** means a call which is made by Vendor on the behalf of Direct Energy to a potential customer which has not been exposed to Direct Energy brands. Therefore, the customer would be initially introduced to the brands and products on the call made by the Vendor.

**The term “Non-Club Calling”** means a call which is made by Vendor on the behalf of Direct Energy to a customer that has historically or previously utilized and or has previously paid for services provided by Direct Energy in some capacity, yet does not have an active account.

**The Term “Club Calling”** means a call which is made by Vendor on the behalf of Direct Energy to a customer that currently has an active membership with Direct Energy and is entitled to two maintenance appointment(s) per year as a result of the existing membership. The purpose of the call is to establish such appointment(s).

**The term “Appointments Ran Per Hour”** means the aggregate number of Appointments Ran per week resulting from the efforts of Vendor divided by the aggregate Billable Production Hours for all CSRs during such week.

**The term “Billable Production Hour”** shall only include (i) the time a CSR is logged into the dialer and available to take an outbound call; (ii) the time a CSR spends talking to a Customer or potential Customer until the call is disconnected or transferred; and (iii) the time a CSR spends updating Customer’s or potential Customer’s information until becoming available to take another call.



**EXHIBIT C**  
**PERFORMANCE METRICS**

<i><u>Metrics</u></i>	<i><u>Definition</u></i>	<i><u>Calculation</u></i>	<i><u>Frequency</u></i>	<i><u>Target</u></i>
<i><u>Hours Per CSR</u></i>	Total daily "Log-In" hours per day per CSR.	Calculation is based on total Hours divided by total CSRs.	Daily; Weekly; Monthly; Quarterly	Day - 8 Weekly - 40 Month - 120 (Based on Daily Average)
<i><u>Appointments Ran Per Hour</u></i>	Average number of appointments ran per billed hour of work for outbound CSRs.	Calculation is defined as the total number of confirmed sales achieved by agents over a specified period, divided by the total number of billable hours during that period.	Hourly; Daily; Weekly; Monthly; Quarterly	> 0.30 SPH
<i><u>Compliance</u></i>	Compliance is the adherence to Laws, regulations, legislation, policy and/or process as it relates to each market segment, regulatory body or region affected by Vendor during the course of the Agreement and/or SOW.	Calculation is determined by dividing the total complaints by the total number of "Contacts" made through the course of business.	Daily; Weekly; Monthly; Quarterly	95% of Staff to Achieve 90% Quality
<i><u>Call Recording</u></i>	The process of capturing and maintaining all Customer communication either initiated or supported by Vendor.	Total number of calls made, divided by total number of call recordings retained.	Daily; Weekly; Monthly; Quarterly	100%

**Minimum Performance Expectation.**

If Vendor is unable to obtain a Sales Per Hour (as defined in Exhibit B) of 0.25 or greater upon the completion of the first thirty (30) days after initial ramp training has completed, then Direct Energy may terminate the Services immediately.